EXHIBIT 3

STATE OF DELAWARE
PUBLIC SERVICE COMMISSION
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CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

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March 9, 1999

Mr. Bruce H. Burcat
Executive Director
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

Re: **PSC Docket No. 98-540**

Dear Mr. Burcat:

Pursuant to Rule 26 of the Commission's "Guidelines for Negotiations, Mediation, Arbitration, and Approval of Agreements Between Local Exchange Telecommunications Carriers" ("Guidelines") I hereby file the attached Arbitration Award which resolves all unresolved issues as required by 47 U.S.C. § 252(c).

By copy hereof, I am also serving copies of the Award on the parties, Global NAPs South, Inc. and Bell Atlantic-Delaware, Inc.

A current service list for this proceeding is also attached for your information.

Very truly yours,

G. Arthur Padmore
Arbitrator

Cc: Service List PSC Docket No. 98-540
Karen J. Nickerson, Secretary

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE PETITION OF GLOBAL NAPS SOUTH, INC. FOR THEARBITRATION OF UNRESOLVED ISSUES FROM THE INTERCONNECTION NEGOTIATIONS WITH BELL ATLANTIC- DELAWARE, INC. (FILED DECEMBER 9, 1998)	))))))	PSC DOCKET NO. 98-540

ARBITRATION AWARD

DATED: MARCH 9, 1999

G. ARTHUR PADMORE
ARBITRATOR

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OF THE STATE OF DELAWARE

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ARBITRATION AWARD

I. BACKGROUND

1. Pursuant to Section 252 (b) of the Telecommunications Act of 1996 ("the Act"), on December 9, 1998, Global NAPs South, Inc. ("Global NAPs" or "GNAPs") filed with the Public Service Commission of Delaware ("the Commission") a Petition for the Arbitration of Unresolved Issues concerning its negotiations with Bell Atlantic-Delaware, Inc. ("BA-Del") for an interconnection agreement.

2. In accordance with the Commission's *Guidelines for Negotiations, Mediation, Arbitration and Approval of Agreements Between Local Exchange Telecommunications Carriers* ("the Guidelines"), the Commission's Executive Director appointed the undersigned Arbitrator to arbitrate the unresolved issues.[1] No other persons sought to intervene in these arbitration proceedings.

[1] See December 23, 1998 Memorandum of Bruce H. Burcat, Esquire to Petitioner, GNAPs, Respondent, BA-Del, and the Public Advocate.

3. On January 21, 1999, as required by Rule 20 of the Guidelines, I filed with the parties my Notice Letter, which: (a) formally identified five issues that I deemed subject to arbitration in this proceeding; and (b) set forth a procedural schedule that afforded the parties an opportunity to conduct discovery and file written comments addressing these issues.

4. Based upon the pleadings filed by the parties, I determined that there were no factual disputes, hence an evidentiary hearing was unnecessary for resolution of the issues under consideration.

5. Pursuant to 47 U.S.C. § 252(b)(4)(B), I have considered the entire record of this arbitration and, based thereon and upon the best information available, I make the following award for the reasons set forth and discussed below.

II. ISSUES TO BE ARBITRATED

6. In my January 21, 1999 letter to the parties, I identified five issues to be arbitrated in these proceedings, and posed the following questions to the parties, to-wit:

a) **Interim Relief.** Can GNAPs, pursuant to 47 U.S.C. §252 (i), opt into an existing interconnection agreement on an "interim" basis while its own interconnection agreement is being arbitrated?

b) **Terminating Compensation Rates.** Where GNAPs has "opted into" an interconnection agreement, what are the appropriate rates to be charged to BA-Del for calls that originate on BA-Del's network and terminate on GNAPs' network?

c) **Calls to Internet Service Providers.** Should Internet-bound traffic be deemed local traffic for purposes of compensation?

d) **Mirroring of Future Contract Changes.** If GNAPs "opts into" an existing interconnection agreement adopted by BA-Del and a third

party CLEC,[2] would GNAPs be bound by any changes occurring to the original agreement by operation of law?

e) **Equivalent Length of Contract Term.** Should BA-Del be required to extend to GNAPs the equivalent length of the term of the contract as set forth in the original contract that GNAPs opted into pursuant to 47 U.S.C. §252 (i)?

7. In addition to the foregoing questions, I posed a series of additional, but more detailed, questions to the participants concerning the identified issues. In accordance with the procedural schedule, on February 8, 1999 and February 18, 1999, GNAPs and BA-Del filed initial and reply comments to all of the questions posed.[3]

III. AWARD

8. **Interim Relief.** 47 U.S.C. §252 (i) provides that once an ILEC, such as BA-Del, has entered into an interconnection agreement with a CLEC and that agreement has been approved by the state regulatory commission, any other CLEC may "opt into" the terms of that agreement.[4] In its Petition, GNAPs specifically requested this Commission to direct that "while this arbitration is pending, BA[-Del] promptly provide GNAPs with interconnection ***on an interim basis*** on terms consistent with those provided in the already-approved agreement between BA[Del] and MFS Intelenet of Delaware,

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[2] CLEC is an acronym for Competitive Local Exchange Carrier. ILEC is an acronym for Incumbent Local Exchange Carrier.

[3] The Initial comments, filed on February 8, 1999 will be cited as "([Party] at __)" and the Reply comments will be cited as "([Party-R] at __)".

[4] The Court of Appeals for the Eighth Circuit held that CLECs could only select the terms and conditions of a prior interconnection agreement as a "whole" and could not "pick and choose" terms and conditions from previous agreements to assemble a new and separate agreement. *Iowa Utilities Board v. FCC*, 120 F.3d 753, 800 (8th Cir. 1997). On January 25, 1999, the U.S. Supreme Court reversed the Eighth Circuit Court ruling, holding that carriers could, in fact, "pick and (. . . . note continued to next page.)

Inc. ("MFS")." (Petition of GNAPs at 1, emphasis added.) According to GNAPs, it sought to adopt the MFS agreement while the parties negotiated and/or arbitrated disputes as to what the terms of that agreement mean and how they are to be applied.

9. BA-Del contended that allowing GNAPs to "opt into" an interconnection agreement while pursuing better terms through negotiation and/or arbitration would frustrate Congressional policy in support of voluntarily negotiated agreements. (BA-Del at 10.) BA-Del also argues that GNAPs is seeking to have it both ways, *i.e.*, to opt into the MFS agreement while continuing to negotiate and/or arbitrate a separate interconnection agreement. (Id.)

10. In subsequent pleadings, GNAPs has refuted the suggestion that it seeks "to have it both ways." Instead, GNAPs asserts that the disputes between the parties center around the interpretation and application of the terms and conditions contained in the MFS agreement and do not involve the arbitration of a separate agreement. GNAPs has emphatically declared that the so-called "interim agreement" that it wants imposed on BA-Del is the same agreement that it has wanted to opt into since August, 1998. (GNAPs-R at 16-17.) GNAPs contends that BA-Del has repeatedly refused to allow GNAPs to opt into the MFS agreement unless GNAPs "agrees to onerous additional terms." (Id. at 17.)

11. **Award.** My review of the pleadings convinces me that GNAPs does not seek to "opt into" the MFS agreement on an interim basis. The record, therefore, does not support the claim that GNAPs seeks to opt into one agreement while arbitrating or negotiating another. This Commission has previously concluded that 47 U.S.C. §252(i)

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choose" terms from various interconnection agreements. See *AT&T Corporation et al. v. Iowa*
(. . . note continued to next page.)

has dual purposes: (a) "it allows new entrants to quickly enter the local exchange market by taking interconnection under an already approved agreement without incurring the costs otherwise arising from the negotiation and arbitration process, and (b) it "imposes an anti-discrimination constraint on the carrier-to-carrier negotiation process; it restrains an incumbent local exchange carrier from treating similarly situated new entrants dissimilarly." *PSC Dockets No. 98-275 & 312-98, Order No 4959 at ¶ 5* (December 1, 1998). In view of the foregoing, I conclude that GNAPs should be allowed to opt into the MFS agreement as required by law. Accordingly, BA-Del shall provide GNAPs the same terms and conditions of the MFS agreement for the period of time discussed, *infra*, under the heading, "Equivalent Length of Contract Term."

12. **Terminating Compensation Rates.** GNAPs contends that under section 251(b)(5) of the Act, a carrier is entitled to receive compensation when it terminates calls that originate on the network of another carrier. GNAPs seeks compensation from BA-Del based upon rates established in the MFS agreement. BA-Del, on the other hand, argues that since GNAPs wants to change a material term of the MFS agreement, *i.e.*, the July 1, 1999 termination date, its request is not a proper "opt-in" request under section 252(i) of the Act and that the inclusion of the rates established in PSC Docket No. 96-324 ("the SGAT proceeding") is therefore appropriate.

13. In addition, BA-Del contends that it is entitled to protection under FCC Rule 51.809(b), which exempts ILECs from providing a service or network element to a carrier pursuant to a previously approved interconnection agreement where the ILEC can demonstrate that such provision would be more costly than providing it to the original

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Utilities Board, 1999 WL 24568 (U.S.)

carrier. BA-Del also argues that at the time it negotiated the terms and conditions of the MFS agreement, Internet traffic was neither a contemplated subject of negotiation nor a known quantity. Thus, according to BA-Del, when it negotiated the MFS agreement, it expected the traffic flow between the contracting carriers to be "roughly balanced" over the term of the contract. (BA-Del at 5.)

14. BA-Del also contends that too long a period of time has lapsed since approval of the MFS agreement, and it is no longer reasonable to require BA-Del to interconnect with another requesting CLEC at the terms set forth in the MFS agreement. BA-Del points to the fact that GNAPs requested to opt into the MFS agreement nearly two years after the Commission had approved it and ten months before it was to expire by its own terms. BA-Del asserts that in adopting the "reasonable period" language in Rule 51.809(c),[5] the FCC compared interconnection agreements to interexchange contract tariffs, under which a negotiated service arrangement is available to other customers for only ninety days. (Id. at 3-4, n.3.) According to BA-Del, given the rapid technological and competitive changes occurring in the telecommunications industry, requiring the availability of contract terms and conditions for over a two-year period cannot be deemed reasonable in the case of a three-year agreement. Therefore, BA-Del urged the Commission to find that the "reasonable period" during which BA-Del had to make the initial reciprocal compensation rates of the MFS agreement available expired long ago. Moreover, since the Commission has expended substantial resources to determine just and reasonable rates for network elements, the Commission should find

[5] FCC Rule 51.809(c) provides that "[i]ndividual interconnection, service, or network element arrangements shall remain available for use by telecommunications carriers pursuant to this (. . . . note continued to next page.)

reasonable BA-Del's insistence that its interconnection agreement with GNAPs substitute the Commission's SGAT rates for call terminations with the rates set forth in the MFS agreement.

15. GNAPs asserts that BA-Del is not entitled to the exemptions set forth in FCC Rule 51.809, and that even if it were, BA-Del has failed to provide any evidence in this proceeding to support such findings. In particular, GNAPs argues that the language of Rule 51.809(b)(1), and the rationale for its adoption, indicates that the "unit costs" are the relevant consideration, not just "costs." (GNAPs-R at 4-6.) GNAPs contends that BA-Del's mere expectation that it will send more traffic to GNAPs (and, therefore, will incur greater costs) is insufficient under Rule 51.809(b)(1). GNAPs argues that the terms of the MFS agreement supplant and contradict BA-Del's assertions that it expected the traffic flow between the contracting carriers to be "roughly balanced" over the term of the contract. (GNAPs-R at 6-7.)

16. GNAPs also disputes BA-Del's claim for exemption under FCC Rule 51.809(c). According to GNAPs, that rule requires BA-Del to identify particular technical arrangements called for by the MFS agreement that are either technically obsolete or substantially more costly today than at the time the agreement was approved. GNAPs contends that BA-Del has made no such showing in this proceeding. (Id. at 3-4.)

17. **Award.** To qualify for an exemption under Rule 51.809(b)(1) BA-Del must show that providing interconnection to Global NAPs will "exceed the cost of providing a particular interconnection, service, or element to the requesting telecommunications carrier that originally negotiated the agreement." Attached to BA-

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section for a reasonable period of time after the approved agreement is available for public
(. . . note continued to next page.)

Del's initial response in this docket is the Affidavit of Jeffrey A. Masoner, Vice President-Interconnection Services for BA-Del's parent's Industry Services Line of Business. In his Affidavit, Mr. Masoner asserted that based upon the experience of Bell Atlantic-Massachusetts and GNAPs' parent company in Massachusetts, BA-Del expects to provide more traffic to Global NAPs than it expected to send to MFS. (BA-Del at Masoner Affidavit, pp. 3-6.) According to Mr. Masoner, BA-Del expected traffic between BA-Del and MFS to be "roughly balanced." (Id.)

18. I concur with GNAPs' assertion that BA-Del's "expectation" is insufficient to establish that it will actually incur more unit cost in providing interconnection to Global NAPs than to MFS. I say this especially in light of the terms of the MFS agreement which, in my view, contradict and supplant the expectations harbored by BA-Del. Section10.3.1 of the MFS agreement explicitly recognizes that traffic flows will be variable and dependent upon "the customer segments and service segments within customer segments to whom MFS decides to market its services." Evidently, both MFS and BA-Del recognized that, depending on MFS's choice of marketing strategy, there would be situations that "produce traffic that is substantially skewed in either the inbound or outbound direction."

19. BA-Del has also failed to offer credible evidentiary support for its assertion that it will incur higher transport costs by interconnecting with GNAPs than it would have experienced with MFS at the time the Commission approved the MFS Agreement. BA-Del merely stated that it will incur these transport costs because it will have "to provide trunking between its network and distant points of presence" but offered

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inspection under section 252(f) of the Act."

no affirmative evidence of such costs. Moreover, I am persuaded by GNAPs' contentions, which BA-Del has not refuted, that Section 1.60 of the MFS agreement corresponds to industry practice[6] and that BA-Del contemplated delivering traffic to an MFS point of presence within the same LATA.[7]

20. Furthermore, BA-Del has not established, pursuant to the exemption contained in Rule 51.809(b), that it would be unreasonable to permit GNAPs to opt into the MFS Agreement at this time. To qualify for an exemption under Rule 51.809(b), BA-Del is required to identify particular arrangements that are either technically infeasible or substantially more costly today than at the time the MFS Agreement was approved. BA-Del has not satisfactorily done so in this proceeding. Consequently, BA-Del is not entitled to protection under the exemptions contained in FCC Rule 51.809(b) and must, therefore, provide reciprocal compensation to GNAPs pursuant to the terms and conditions contained in the MFS Agreement.

21. **Calls to Internet Service Providers.** A major issue in dispute between BA-Del and GNAPs is the appropriate treatment for calls made by BA-Del customers to Internet Service Providers ("ISPs") that terminate on GNAPs' network. BA-Del asserts that calls to ISPs do not terminate at the ISP's local premises but instead constitute a single transmission to a distant Internet destination. Thus, Internet traffic is not local traffic for purposes of reciprocal compensation.

[6] Indeed, Section 1.60 indicates that the routing and rating procedures set forth therein are in accordance with "Bellcore Practice BR-795-100-100."

[7] My review of Section 1.60 of the MFS agreement confirms that "the Rating Point/Routing Point (or the specific geographic point identified by a specific V&H coordinate) must be located within the LATA in which the corresponding NPA-NXX is located."

22. Citing the MCI Arbitration Award (PSC Docket No. 97-323), GNAPs contends that this Commission has previously determined that calls to ISPs are local calls like any other for purposes of reciprocal compensation under the Act.

23. **Award.** In PSC Docket No. 97-323, this Arbitrator concluded that ISP-bound traffic was local traffic and, therefore, should not be excluded from reciprocal compensation requirements merely because the purpose of such calls was to gain Internet access. (Award at 14.) In reaching that conclusion, the Arbitrator considered the following factors: (a) Internet service providers take service from local exchange companies under local exchange business service tariffs; (b) such providers use their connections to the public switched network as do other customers; and (c) Internet service providers are considered to be end users for purposes of access charges.

24. In Consolidated Dockets No. 312-97 and 97-285, asserting that BA-Del had presented no evidence that persuaded me otherwise, I reached the same conclusion for the reasons stated above. (*Findings and Recommendations of the Hearing Examiner* at 11, PSC Consolidated Dockets No. 312-97 and 97-285, September 10, 1998.) The Commission declined to decide the "ISP traffic/reciprocal compensation issue" in that case, stating that it did not "believe it would be beneficial to decide in this matter the proper interplay between ISP traffic and the reciprocal compensation obligation." (PSC Order No. 4959 at 7, December 1, 1998.) The Commission also observed that

> the ISP traffic issue has come couched in jurisdictional terms about whether such traffic is intrastate or interstate in nature. Yet, other persons may have an interest in how that jurisdictional question is both framed and answered. In light of that, the Commission leaves for another day, and to another proceeding, the question of whether the obligation of one carrier to pay reciprocal compensation extends to traffic delivered to an ISP by another carrier.

(Id. at 7-8.)

this traffic within the scope of their interconnection agreements under sections 251 and 252. (Id. at ¶ 22.) Under such a scenario, parties would be bound by those interconnection agreements, as interpreted and enforced by state commissions. (Id.) The FCC further acknowledged that even in the absence of voluntary agreement by parties on an inter-carrier compensation mechanism for ISP-bound traffic, "state commissions nonetheless may determine in their arbitration proceedings at this point that reciprocal compensation should be paid for this traffic." (Id. at ¶25.) The FCC expressed the following rationale for a state commission adopting such a procedure:

> [S]tate commission authority over interconnection agreements pursuant to section 252 'extends to both interstate and intrastate matters.' Thus the mere fact that ISP-bound traffic is largely interstate does not necessarily remove it from the section 251/252 negotiation and arbitration process. However, any such arbitration must be consistent with governing federal law. While to date the [FCC] has not adopted a specific rule governing the matter, we note that our policy of treating ISP-bound traffic for purposes of interstate access charges would, if applied in the separate context of reciprocal compensation, suggest that such compensation is due for that traffic.

(Id.)

27. The foregoing persuades me to conclude that although the FCC has determined the jurisdictional issue concerning ISP-bound traffic, it has clearly recognized the authority of state commissions to continue to make decisions concerning the issue of inter-carrier compensation for such traffic in arbitrated and negotiated interconnection agreements. This recognition accommodates this Commission's approving such agreements and, thereby, enabling CLECs to expeditiously commence competitive operations in Delaware, consistent with the goals and spirit of the Act.

28. No evidence has been presented in this proceeding to indicate that the MFS agreement has: (a) any provision that requires metering ISP-bound traffic or otherwise segregating it from local traffic, particularly for the purpose of billing for reciprocal compensation; or (b) any provision that sets forth a special compensation plan or procedure for ISP-bound traffic; or (c) any provision or procedure that treats revenues associated with ISP-bound traffic as interstate or intrastate revenues. It is, therefore, evident that the MFS agreement does anticipate treating ISP-bound traffic as local for purposes of reciprocal compensation. Under such circumstances, I find it reasonable to conclude that until the FCC issues a final order establishing a rule concerning inter-carrier compensation for ISP-bound calls, GNAPs is entitled to collect termination compensation rates as set forth in the MFS agreement. Such a conclusion is consistent with the FCC's assertion in its Ruling that "nothing in this Declaratory Ruling precludes state commissions from determining, pursuant to contractual principles or other legal or equitable considerations, that reciprocal compensation is an appropriate interim inter-carrier compensation rule pending completion of the [FCC's proposed rulemaking]." (Id. at ¶ 27.)

29. **Mirroring of Future Contract Changes.** This issue is no longer in dispute. In the aftermath of the Supreme Court's recent decision,[8] and the reinstatement of FCC Rule 51.809, an "opted-into" agreement need not mirror any and all future changes to the original agreement. Subject to the important exceptions established by the FCC in the rule, mirroring of future contract changes is not required because CLECs may include terms and conditions from other previously approved agreements. However, all

[8] *AT&T Corp. et al. v. Iowa Utilities Board et al., supra.*

contracts, including those that mirror previously approved agreements, are subject to changes in applicable law.

30. **Equivalent Length of Contract Term.** GNAPs seeks to compel BA-Del to provide it an interconnection agreement with a similar life span as the MFS agreement, *i.e.*, a term of three years. Global NAPs contends that the term[9] of an interconnection agreement is a material aspect of an existing agreement because the affected CLEC must make substantial investment and business decisions based upon the terms and conditions of that agreement. GNAPs points to the staged progress provisions, or phases, contained in the MFS Agreement as indications that the agreement is structured to be carried out over a particular time period. GNAPs also notes that the phases of the agreement could never be accomplished if the actual termination date were applied to Global NAPs.

31. BA-Del asserts that under the Supreme Court's recent decision, BA-Del is under no obligation to extend the MFS agreement to GNAPs. BA-Del argues that GNAPs' request to opt into an interconnection agreement over two years after its approval cannot be deemed reasonable in the case of a three-year agreement. In support of this argument, BA-Del states that when it negotiated the July 16, 1996 agreement with MFS: the Act was only a few months old; the FCC had not issued its First Report & Order ("FCC Order"); it was not known which pricing methodologies the FCC would ultimately adopt to calculate rates consistent with the Act; and there was little indication of how the industry would develop under the new regime. Therefore, BA-Del claims, it negotiated a specific termination date for the MFS agreement. According to BA-Del, it believed that such action would ensure that if the rates were inconsistent with the

methodologies ultimately adopted by the FCC and implemented by this Commission, or if the other unanticipated factors arose, BA-Del would not be "stuck indefinitely" with contract terms based on outdated assumptions.

32. **Award.** I do not find reasonable GNAPs "equivalent contract term" argument (*i.e.*, that CLECs should be allowed to extend the term of an existing interconnection agreement). While I disagree with BA-Del's contention that the availability of the MFS contract should not extend beyond the first year after its approval by this Commission, I am persuaded by BA-Del's argument that granting CLECs the ability to extend existing interconnection agreements would be unreasonable. I say this primarily because such action would confer on such third parties the potential to unduly disadvantage the ILEC, whose extended obligations under the contract could be based on "outdated" assumptions.

33. It is my opinion that under ordinary circumstances, the term of an "opted-into" interconnection agreement should, at a very minimum, be the same as the negotiated term of the original agreement. This means that ordinarily, an opted into agreement will expire when the original interconnection agreement expires. I recommend that the Commission adopt this practice as a matter of policy.

34. Notwithstanding the foregoing, however, the record in this docket persuades me that an exception is warranted in this case. In a previous docket, the Commission directed BA-Del to provide interconnection to a CLEC under the terms and conditions contained in the MFS agreement. (Order No. 4959, *Consolidated Dockets No. 97-285 and 312-97,* December 1, 1998.) In that proceeding, BA-Del raised

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[9] In the context of the discussion in this section, the word "term" means the number of years that (. . . . note continued to next page.)

arguments practically identical to those raised here about whether or not Focal Communications ("Focal"), the applicant therein, could "opt-into" the very same MFS agreement. After consideration, the Commission adopted the Hearing Examiner's conclusion that Focal should be allowed to opt into that agreement. In spite of the Commission's decision under a similar set of facts, BA-Del continued, for approximately six months after the Hearing Examiner's recommendation to the Commission, to deny GNAPs' right to opt into the MFS agreement.

35. In my view, it would be unfair under the circumstances to require GNAPs to bear that loss. Accordingly, I recommend that, given the peculiar circumstances of this case, the Commission direct BA-Del to extend the expiration of GNAPs' opted into interconnection agreement by six months, *i.e.*, from July 1, 1999 to December 31, 1999. It should be noted that this exception should have no precedential effect, except under an identical set of circumstances.

IV. CONCLUSION

36. In summary, pursuant to section 252(b) of the Act, and based upon the findings discussed above, I make the following Awards:

A) BA-Del shall provide GNAPs the same terms and conditions of the MFS agreement for the period of time set forth below in subparagraph D;

B) BA-Del is not entitled to protection under the exemptions contained in FCC Rule 51.809(c) and must, therefore, provide

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during which, by agreement of the parties, the interconnection agreement shall remain effective.

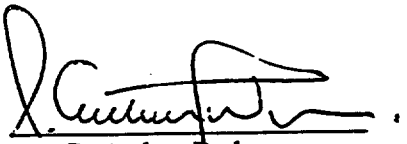
reciprocal compensation to GNAPs pursuant to the terms and conditions contained in the MFS Agreement;

C) Until the FCC issues a final order establishing a rule concerning inter-carrier compensation for ISP-bound calls, GNAPs is entitled to collect termination compensation rates as set forth in the MFS agreement; and

D) Unless the parties negotiate and mutually agree to a longer term, GNAPs' opted into MFS agreement shall expire on December 31, 1999.

37. Consistent with Rule 29 of the Guidelines, within 30 days hereof, the parties may submit for Commission review their negotiated agreement into which this Award should be consolidated.

Respectfully submitted,



G. Arthur Padmore
Arbitrator

Dated: March 9, 1999

SERVICE LIST

PSC DOCKET NO. 98-540 (EFFECTIVE 1/7/1999; REVISED 1/21/99)

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*ALL MATERIAL, EXCEPT INTERROGATORIES
**ALL MATERIAL, INCLUDING INTERROGATORIES AND RESPONSES
***ONLY FOR SCHEDULING.

EXHIBIT 4

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May 12, 1999

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Wilmington, Delaware 19801

Re: In the Matter of the Petition by Global NAPs South, Inc., for the Arbitration of Unresolved Issues From the Interconnection Negotiations with Bell Atlantic-Delaware, Inc. (Filed December 9, 1998) - PSC Docket No. 98-540

Gentlemen:

Enclosed are two (2) Certified Copies each of Commission Orders Nos. 5092, 5093, and 5094, respectively, in the above-captioned matter, which are self-explanatory.

Very truly yours,

Karen J. Nickerson

Karen J. Nickerson
Secretary

KJN/njs
Enclosures: 2
Mr. Savage (Cert. Mail #524208119)
Mr. Hill (Cert. Mail #524208120)
cc: Frank J. Murphy, Jr., Esquire (w/encl)
William J. Rooney, Jr., Esquire (w/encl)
Wendie C. Stabler, Esquire (w/encl)
G. Arthur Padmore (w/encl)
Constance A. Welde (w/encl)

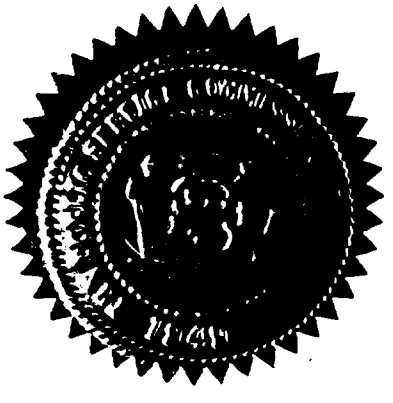
State of Delaware

The Public Service Commission

STATE OF DELAWARE }
COUNTY OF KENT } ss.

I, Karen J. Nickerson, Secretary of the PUBLIC SERVICE COMMISSION OF DELAWARE, do hereby certify that I have compared the attached Order with the original adopted by said Commission, and that it is a true and correct transcript of Order No. 5092, Docket No. 98-540.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed the seal of the Commission this twelfth day of May A.D., 19 99.



Karen J. Nickerson
Secretary

Document No. 30-11-81-03-01

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF GLOBAL NAPS SOUTH, INC., FOR THE ARBITRATION OF UNRESOLVED ISSUES FROM THE INTERCONNECTION NEGOTIATIONS WITH BELL ATLANTIC-DELAWARE, INC. (FILED DECEMBER 9, 1998)	))))))	PSC DOCKET NO. 98-540

ORDER NO. 5092

AND NOW, this 11th day of May, 1999;

WHEREAS, pursuant to section 252(b) of the Telecommunications Act of 1996, on December 9, 1998, Global NAPs South, Inc. ("GNAPs") filed with the Public Service Commission of Delaware a "Petition for the Arbitration of Unresolved Issues Concerning its Negotiations with Bell Atlantic-Delaware, Inc. ("BA-Del") for an Interconnection Agreement;"

WHEREAS, in accordance with the Commission's "Guidelines for Negotiations, Mediation, Arbitration and Approval of Agreements Between Local Exchange Telecommunications Carriers," the Commission's Executive Director appointed an arbitrator to arbitrate the unresolved issues;

WHEREAS, the Arbitrator issued an Arbitration Award on March 9, 1999;

WHEREAS, the Commission has reviewed and considered the filings submitted in this docket by the parties and the Commission Staff, has reviewed the Arbitration Award of March 9, 1999, and has heard oral argument from the parties at a duly noticed public hearing; now, therefore,

IT IS ORDERED:

1. The Commission approves an Interconnection Agreement between Global NAPs South, Inc., and Bell Atlantic-Delaware, Inc., as interpreted by the Arbitration Award of March 9, 1999, for the reasons stated therein, with further findings to be entered at a later date.

2. On or before June 1, 1999, the parties shall jointly file with the Commission an Interconnection Agreement which conforms to the Arbitration Award of March 9, 1999.

3. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chairman

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

Commissioner

CERTIFICATE OF SERVICE

I, Linda M. Blair, hereby certify that on this 24th day of June, 1999, I caused a copy of the foregoing Reply Comments of Global NAPs South, Inc. to be sent via messenger (*), or by Federal Express, to the following:

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